Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	
High Cost Universal Service Support	WC Docket No. 05-337
Federal State Joint Board on Universal Service	CC Docket No. 96-45

REPLY COMMENTS OF THE VOICE ON THE NET COALITION

I. INTRODUCTION

The Voice on the Net (VON) Coalition hereby submits these reply comments in the above-captioned proceeding.[1]

At the dawn of the analog communications age, this nation made a bold commitment to achieving universal access to the predominant communications technology of the time – telephone service. America's Universal Service system has been a cornerstone of our telecommunications policy for over 70 years – enhancing the value of the network and increasing our quality of life in immeasurable ways. The policy was instrumental in extending narrowband telephone connectivity in rural America, which helped enable the dial-up Internet revolution. Yet for all its past success, Universal Service support today is at a crossroads. The Universal Service Fund (USF) is ill-prepared for today's broadband realities, and in its current form may in fact be counterproductive in achieving the transition from narrowband to broadband communication networks. Therefore, at the dawn of the digital age, we need a similarly far-sighted vision and commitment to help the U.S. become

[1] *See High Cost Universal Service Support; Federal State Joint Board on Universal Service*, Notice of Proposed Rulemaking, WC Docket No, 05-337, CC Docket No. 96-45, FCC 08-5 (rel. Jan. 29, 2008) ("*Auctions NPRM*"); *High Cost Universal Service Support; Federal State Joint Board on Universal Service,* Notice of Proposed Rulemaking, WC Docket No, 05-337, CC Docket No. 96-45, FCC 08-22 (rel. Jan. 29, 2008) ("*RD NPRM*"); *High Cost Universal Service Support; Federal State Joint Board on Universal Service*, Notice of Proposed Rulemaking, WC Docket No, 05-337, CC Docket No. 96-45, FCC 08-4 (rel. Jan. 29, 2008) ("*Identical Support NPRM*") (collectively, the "*Notices*").

a broadband nation, and to support the predominant communications technology of this century – broadband.

We are fortunate to be living in the midst of the greatest technological revolution in the history of communications. The boundary lines that formerly distinguished wireline, cable, and mobile networks are fading and American consumers will soon have access to robust broadband technology wherever they are in the country. As Consumers Union, the Consumer Federation of America, and Free Press note in their comments, "Convergence has created both the opportunity and the onus to undertake a complete overhaul of our basic conceptions and justifications for universal service, as well as completely reengineer how the Commission administers the directives of Section 254."[2] Indeed, convergence and the combination of broadband and Internet Protocol (IP)-enabled services such as Voice over IP (VoIP) are unleashing a profound transformation in the way we communicate and the business models that support the communications infrastructure. While USF support to date has been limited to supporting Plain Old Telephone Service (POTS), accelerating the availability of ubiquitous, affordable broadband will require a fundamental shift in the Universal Service support mechanism.

Broadband provides infinite flexibility, facilitates untold consumer benefits, and stimulates significant economic growth. This new flexibility can open the door to a world where consumers are able to choose from a variety of feature-rich voice and video applications at affordable rates, all delivered over the same broadband connection. Broadband enables people to communicate in ways just not possible using POTS narrowband technologies.

Unfortunately, America faces a lingering broadband gap. Without adequate reform of the Universal Service system, rural and remote America will be left behind and our nation will continue to fall behind in achieving the innovation infrastructure necessary to compete

[2] Comments of Consumers Union, the Consumer Federation of America, and Free Press at 6.

globally and participate fully in the broadband age. In its Recommended Decision issued in November 2007, the Federal-State Joint Board on Universal Service recommended that the Commission create a new Broadband Fund to facilitate construction of new broadband networks in unserved and underserved areas of the country.

In these reply comments, the VON Coalition supports a fundamental transformation of our Universal Service support mechanisms to encourage investment in and deployment of broadband to areas that might otherwise miss out on this revolution. This requires a fundamental shift in the federal Universal Service program from supporting analog narrowband communications to supporting digital broadband communications. Specifically, the VON Coalition believes that the Commission should create a Broadband Fund and transition the Universal Service Fund from analog to digital over the next five years by date certain.

II. THE COMMISSION SHOULD USE USF SUPPORT TO EXTEND BROADBAND INFRASTRUCTURE IN UNSERVED AND UNDERSERVED AREAS IN A WAY THAT WILL FAIRLY AND EQUITABLY TRANSITION USF FROM NARROWBAND SERVICE TO BROADBAND SERVICE OVER FIVE YEARS

A national strategy and policies that encourage investment in a next-generation broadband infrastructure, applications and services that can support both voice and data will be essential if the United States is to maintain its global leadership. The VON Coalition agrees with the overwhelming majority of commenters[3] that deployment of high-speed services to unserved and underserved areas should be supported by Universal Service and

[3] *See* Comments of AARP; Alltel; AT&T; Atlantic TeleNetwork; Benton Foundation; Cellular South; Centennial Communications; CenturyTel; CoBank; Connecticut DPUC; Consumers Union, Consumer Federation, and Free Press ("*Consumers*"); CTIA; Embarq; GVNW Consulting; Independent Telephone & Telecommunications Alliance; Information Technology Industry Council; Iowa Telecommunications Services; Missouri Small Telephone Company Group; Montana Telecommunications Association; Montana Independent Telecommunications Systems; NASUCA; National Consumer Law Center; New Jersey Division of Rate Counsel; National Tribal Telecommunications Association; North Dakota PSC; NTCA; Ohio PUC; Oklahoma Corporation Commission; OPASTCO; Oregon Utility Commission; Qwest; Rural Telecommunications Group; SIA; Southeast Telephone Inc. and Momentum Telecom; Telecom Consulting Associates; TDS Telecommunications Corp; Texas Statewide Telephone Cooperative; TIA; United States Cellular; U.S. Small Business Administration; USFon; YourTel.

is essential to the nation's competitiveness. The Commission should adopt universally-available and affordable broadband as a national communications goal and make broadband an explicit component of the federal Universal Service Fund. However, the VON Coalition agrees with commenters[4] that the Joint Board's $300 million a year proposed cap on a new Broadband Fund[5] is insufficient for achieving the goals Congress intended. Instead, a cap on the Broadband Fund should increase annually over the course of the five-year transition and should be eliminated once the five-year transition has been completed.

Merely extending Universal Service support to broadband, without a commensurate decrease in analog support, would needlessly increase costs to consumers who cannot afford to pay more to support USF. Instead, we must transition all Americans from the more limited analog POTS technology to more capable broadband technologies. Thus, the VON Coalition agrees with commenters who argue that the Commission should phase out high-cost analog support over the next five years while simultaneously phasing in broadband support -- spurring new competition, and enabling new opportunity. In fact, continued subsidization of outdated analog technologies creates disincentives for achieving universally available broadband throughout the country.

Around the world, countries are already taking bold steps to similarly transition entirely from PSTN communication to broadband networks and VoIP. For example, New Zealand will likely become the first country in the world to turn off its public switched telephone network, instead relying entirely on a next-generation network, and VoIP-based voice service.[6] In the Netherlands, the country often at or near the top of international broadband rankings, the incumbent phone company, KPN, plans to unplug its analog phone network entirely by 2010 – relying entirely on broadband and VoIP to serve its customers.[7]

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[4] *See* comments of AARP, the Benton Foundation, AT&T, ITI, National Consumer Law Center, New York PSC, North Dakota PSC, Windstream, and WYOCA.
[5] *See Recommended Decision* at ¶ 29.
[6] *See* "VoIP Victory: POTS Potted As New Zealand Turns Off PSTN." Telecom Web. (Aug. 27, 2007).
[7] As reported by the German Press Agency.

In the United Kingdom, British Telecom is investing in a next-generation IP network, converting all voice calls to VoIP, and has set a five-year deadline to switch off the PSTN.[8]

We need to catch up. U.S. policies must enable the transition away from older analog technologies and facilitate ubiquitous availability of broadband. Just as Congress and the Commission have set firm dates for ending analog support and transitioning away from analog cell phone service[9], and analog television service,[10] so too must the Commission set a firm date for terminating current high-cost USF support for analog voice services.

A broad diversity of commenters – from rural to wireline, wireless to high-tech, and public interest groups – also support transitioning the high-cost fund entirely to a broadband mechanism. For example, NTCA argues that the "Commission should transition the current funds to one that supports the construction, operation, and maintenance of a high-quality National broadband network without the assistance of access charges."[11] AT&T includes a detailed and laudable "roadmap to transition all Americans from POTS to 21st century broadband" and suggests a transition that would occur in five years for wireless CETC funding and at a time triggered by the earlier of a five-year transition or the time set by the state retail rate deregulation for wireline funding.[12] The Telecommunications Industry Association (TIA) similarly argues that the Commission should phase out narrow-band funding over five years as it shifts the funding to broadband, and set a hard transition

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[8] *See* http://www.isp-planet.com/cplanet/tech/2006/prime_letter_060803_british_telecom.html (Total cost of the overhaul is estimated at £10 billion); http://www.infoworld.com/article/06/11/28/HNbtallipnetwork_1.html?source=rss&url=http://www.infoworld.com/article/06/11/28/HNbtallipnetwork_1.html and http://www.druid.dk/uploads/tx_picturedb/dw2006-1695.pdf.

[9] The Commission adopted an order in 2002 to "sunset" a requirement that cellular carriers support analog cellular services or AMPS (advanced mobile phone service), in five years. AMPS support expired Feb. 18, 2008.

[10] Congress and the Commission set a firm date of February 17, 2009 for the cessation of analog television broadcasts. *See* www.dtv.gov.

[11] NTCA comments at 14.

[12] AT&T comments at n. 31.

deadline.[13] Likewise, the Information Technology Industry Council (ITI) urges the Commission to "transition support from other fund components to broadband over a set period of five years with a hard transition date."[14] In addition, Alltel argues the "legacy support mechanisms tailored to support voice-grade services should be eliminated over a transition period of no longer than 4-5 years, by transferring dollars from those accounts into the new Mobility and Broadband Funds."[15] Similarly, the Benton Foundation argues that "Rather than an immediate flash cut in the current USF system's analog support, a five-year timetable for transitioning subsidies from analog to digital—with a hard analog shut-off date—will put the United States on a more sure-footed broadband trajectory."

As USFon (a partnership between the University of Texas School of Law and the University of Texas Wireless Networking Group of the College of Engineering, along with various community groups and socially conscious communications companies) points out:

> Limiting universal service support to obsolete voice mechanisms creates a subsidized inefficiency: one hand of the government enforces the monopoly of legacy voice service by preventing interconnection with efficient services like Skype, and the other hand pays billions of dollars a year to subsidize obsolete legacy "voice service" at a cost level inflated by the same policies blocking market entry by competing services. The result is that both "hands" form a choke-hold against progress to efficient attainment of universal connectivity and communications through new technology and business models.[16]

USFon further asks the Commission to:

> recognize the reality that has existed for several years: "voice" is merely another form of data, whether transmitted through the air or a wire, whether sent through an old Stromberg-Carlson step-by-step switch or via Skype; artificial distinctions that permit legacy carriers to charge consumers for data sent by objectively less efficient means are preventing desperately-needed reforms of our communications industry.[17]

By shifting monies to a technologically and competitively neutral Broadband Fund, the Commission could eliminate existing disparities between providers that are now able to use narrowband support to support broadband capable facilities and those that are not.

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[13] TIA comments at 6-7.
[14] ITI comments at 2.
[15] Alltel comments at 1.
[16] Comments of USFon at 5.
[17] *Id.* at 6.

However, the VON Coalition disagrees with, for example, the Rural Independent Competitive Alliance, which argues that the proposed Broadband Fund would not be consistent with the Act. Instead, the VON Coalition agrees with the Joint Board's conclusion that broadband Internet service satisfies the statutory criteria for inclusion on the list of Section 254 supported services.[18] Congress gave the Joint Board and the Commission the authority to include broadband as a part of the USF to make advanced telecommunications technology available to all Americans, and directed the Commission to modernize Universal Service in step with technological advances. Specifically, the Telecommunications Act of 1996[19] (1996 Act) explicitly tasks the Joint Board, from time to time, with recommending to the Commission modifications in the definition of the services that are supported by Federal Universal Service support mechanisms.[20] The Act also recognizes that "Universal service is an evolving level of telecommunications services that the Commission shall establish periodically under this section, taking into account advances in telecommunications and information technologies and services."[21] Moreover, Section 706 of the 1996 Act directs the Commission and State commissions to encourage deployment of advanced telecommunications capability to all Americans. Congress defined "advanced telecommunications capability" as "without regard to any transmission media or technology, high-speed, switched, *broadband telecommunications capability* that enables to originate and receive high-quality voice, data, graphics, and video telecommunications using any technology."[22] It is clear that the law not only allows the Commission to transition USF to broadband, it requires it.

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[18] *See* 47 U.S.C. § 254(c)(1).
[19] *The Telecommunications Act of 1996*, Pub. L. No. 104-104, 110 Stat. 56 (1996). The 1996 Act amended the Communications Act of 1934. 47 U.S.C. § 151, et seq. ("*Act*").
[20] *See* 47 U.S.C. § 254(c)(2).
[21] *See* 47 U.S.C. § 254(c)(1).
[22] *Telecommunications Act of 1996,* Sec. 706(c)(1).

III. ONLY HIGH SPEED BROADBAND NETWORKS CAPABLE OF SUPPORTING VOICE SHOULD BE ELIGIBLE FOR SUPPORT

Only deployment of high-speed broadband networks capable of supporting competitive voice services should be eligible for support. The VON Coalition believes the Commission should define broadband as a minimum of 1 megabits per second downstream and 700 megabits per second upstream in order to ensure that consumers can effectively communicate over broadband. Over time, the Commission should increase the minimum speeds that are supported and support only those services that offer symmetrical downstream and upstream speeds.[23]

When policymakers in other venues have instituted broadband subsidy programs (like Ireland and California) they have tied the broadband subsidy and speed to the availability of VoIP. Ireland's subsidized broadband projects must be technologically neutral, the service provider engaged for a period of five years, and be capable of supporting VoIP. The connections that are funded must be:

> an always on service of at least 1Mbit/s down and 128kbits/s up. The minimum download capacity per connection will be 10 gigabits per month and the service must support Virtual Private Networks (VPN) for businesses and VoIP applications and devices for home business purposes. Latency must be sufficient in order to allow standard applications such as VoIP and online gaming to be run without significant degradation of service from an end user perspective. [24]

Likewise, in December 2007, recognizing that voice usage has been migrating "from traditional landline phones to wireless and VoIP networks," the California PUC allocated $100 million over two years to the new California Advanced Services Fund (CASF), which will provide incentives to companies to deploy broadband service to unserved and

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[23] Several states also urged a specific definition of broadband that provided for more than 200 Kbps service. AARP also recommends "that priority be awarded to deployments that provide symmetrical data speeds of 10 Mbps or greater." ITI at 6 recommends, " networks should be capable of delivering at least 1 megabit per second in at least one direction today, transitioning to services of at least 2.5 megabits per second in at least one direction within in 5 years (by no later than 2013)."

[24] *Dempsey Unveils New National Broadband Scheme,* Department of Communications, Energy and Natural Resources – Ireland, 2 May 2007, *available at* http://www.dcmnr.gov.ie/Press+Releases/Dempsey+Unveils+New+National+Broadband+Scheme.htm.

underserved areas of California.[25] The increase in broadband funding is being offset by a commensurate decrease in analog support in California's High Cost Fund.[26] To further the CPUC's universal service goals, approved providers will also provide voice service as one of the applications available over the broadband service.[27] Qualified applicants must ensure the network supports "basic service" which was redefined to include "any form of voice-grade service, including that offered through a wireless or VoIP service." To do so, they have set a benchmark of 3 megabits per second (Mbps) download and a 1 Mbps upload speed.

The Commission should similarly ensure robust speed and broadband quality so that, where broadband is subsidized, consumers are able to choose from a variety of voice service providers over that broadband connection.

IV. BROADBAND SUPPORT SHOULD BE TECHNOLOGICALLY AND COMPETITIVELY NEUTRAL, AND STRUCTURED TO REDUCE SUPPORT TO THE MOST EFFICIENT LEVELS

As the Commission crafts the policy to support its Broadband Fund, it should ensure an efficient funding system that is sustainable and technology and competitively neutral among all players. USF funds should not be used to skew a competitive outcome. For these reasons, the VON Coalition supports the goals that the Commission seeks to achieve through a reverse auction–like application process. Specifically: the FCC should use a market-based, competitive approach to determine funding; encourage providers to voluntarily compete for Universal Service funding so that providers have incentives to seek the least possible support necessary, and thus control fund growth and encourage the use of efficient technologies.

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[25] *See* http://docs.cpuc.ca.gov/PUBLISHED/NEWS_RELEASE/76879.htm.
[26] The CPUC is focusing first on funding for areas where no facilities-based provider offers broadband service with the ultimate goal of making available a level of broadband service that provides a reasonable balance of technology, engineering, and cost.
[27] *Interim Opinion Implementing California Advanced Services Fund;* Rulemaking 06-06-028, California Public Utilities Commission. (Dec. 21, 2007).

Furthermore, subsidies should be limited to the most efficient costs of constructing networks in unserved or underserved areas and distributed in the most efficient manner. In addition, the Fund should not support multiple broadband providers in an area that is uneconomic for even one provider to serve the area.[28] Because reverse auctions determine the level as well as the recipient(s) of high-cost support, the use of auctions would avoid the need for cost analysis. [29] As T-Mobile points out in its comments, "reverse auctions offer great promise in reforming the distribution of high-cost support by driving the level of support down to the forward-looking costs of the most efficient technology in each area."[30] In developing the Fund, the Commission must ensure that all broadband providers, incumbents and new entrants, compete on an equal footing. In achieving technological neutrality, the VON Coalition reiterates its view that the Commission should also reform its USF contribution methodology to a numbers-based/connections contribution mechanism as a means of ensuring contributions are also technologically neutral.[31]

In its application for one-time funding to construct broadband facilities, an applicant should be required to identify the support it believes will be necessary to deploy and maintain the broadband infrastructure for the designated area, and the speeds it will offer, in the designated area for the service term. If selected, the applicant must commit to making those services substantially available throughout that designated area within a two-

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[28] Many states discouraged support for multiple providers when it appeared uneconomic for even one provider to serve the area. NASUCA and the NJDRC opposed having more than one supported provider in an area. However, we agree with CTIA that, for the mobility fund, there must be a provider selected from each of the major wireless protocols in order to ensure roaming capabilities.

[29] As T-Mobile points out at 14, "utilizing reverse auctions to distribute existing high-cost funds would moot the CETC support NPRM, including the proposal to bar CETCs from IAS, ICLS, and LSS funding. Reverse auctions also would provide the public benefit of enormous administrative and regulatory savings as well as cost efficiency."

[30] *Id.* at 11.

[31] We strongly disagree with the innovation stifling proposals made by several rural carrier groups, including NTCA and MTITS, urging the Commission to expand the current revenue-based USF contribution mechanism so that all non-interconnected VoIP services – including those integrated into blogs, video games, software, and web sites – subsidize rural phone companies.

year period, and then continue to make those services available for five years thereafter. In addition, as a condition for support, the Commission should also ensure that the connection to the PSAP that enables the region's customers to dial 911 is also upgraded from POTS technology to IP-based broadband technology within two years. This will help ensure that, as consumers in these areas migrate to broadband-enabled voice service, their customers can benefit from broadband-enabled 911 capabilities as outlined at the Commission's recent next-generation 911 summit.

V. THE COMMISSION SHOULD ELIMINATE OTHER COMPENSATION RELATED BARRIERS TO BROADBAND DEPLOYMENT

The VON Coalition agrees with commenters who suggest that Rate of Return ILECS "may be reluctant to offer broadband services such as Internet access and VoIP services" because providing these broadband services might affect the amount of access revenue they receive for terminating calls.[32] For these reasons, and in order to accelerate broadband deployment in rural areas, we agree with arguments that originating and terminating intrastate access charge should be reduced to uniform levels that more accurately reflect the cost of providing the service as an essential part of a universal broadband strategy. Taking steps to reduce these implicit subsidies would eliminate a significant disincentive for offering broadband service. Access revenue decreases could be recovered by ILECs through increases in their Subscriber Line Charge (SLC) up to federal benchmark levels or other mechanism.

VI. LIFELINE/LINK-UP ALSO MUST BE UPDATED FOR BROADBAND

The Joint Board recommends that the Commission seek comment on whether Lifeline/Link-Up customers may be negatively affected by any aspects of the transition to the new three fund approach and encourages specific proposals to remedy any infirmities created by a three fund approach.[33] Universal Service reform cannot leave low-income consumers behind. The VON Coalition agrees with commenters that Lifeline and LinkUp

[32] AT&T comments at 24.
[33] *Recommended Decision* at ¶ 73.

programs must be reformed to include broadband.[34] If the Commission creates a Broadband Fund, but excludes Lifeline and LinkUp recipients, these low-income consumers will be relegated to last century's communications technology as the rest of the nation moves to broadband enabled communications solutions.

The principles upon which the Commission is bound to base Universal Service rules upon include:

> Consumers in all regions of the Nation, *including low-income consumers* and those in rural, insular, and high cost areas, should have access to telecommunications and information services, including interexchange services and *advanced telecommunications and information services*, that are reasonably comparable to those services provided in urban areas and that are available at rates that are reasonably comparable to rates charged for similar services in urban areas.[35]

VII. TRANSITIONING USF FROM PSTN TO BROADBAND SUPPORT IS ESSENTIAL FOR HELPING AMERICA ATTAIN UNIVERSAL ACCESS TO BROADBAND AND ACHIEVING BROADER PUBLIC POLICY GOALS

A complete transition to digital broadband networks is not only essential for our economy and consumers, it essential for achieving a wealth of broader policy goals from improving health care to tackling global warming. Examples include:

- **Middle-income Americans are struggling financially to keep their homes and pay their bills.** Broadband and the VoIP competition it can enable can save consumers an astounding $110 billion over the next five years[36] – putting real money back into consumers' pockets through the power of competition at a time when families really need it. This VoIP-enabled competition can reduce telephone costs three times more than the entire Universal Service Fund will over the same period.[37] In addition, as the nation faces economic challenges, VoIP is now projected to be the number one job creator of any industry in the country[38] -- which can only be accelerated by

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[34] Comments of AARP, National Consumer Law Center, and YourTel.
[35] 47 U.S.C. §254(b)(1)-(3) (*emphasis added*).
[36] *See* Micra Report *available at* http://www.micradc.com/news/publications/pdfs/Updated_MiCRA_Report_FINAL.pdf (finding that VoIP competition can save consumers more than $110 billion over the next five years).
[37] *Benton Foundation comments at 5, and noting that broadband VoIP services can enable features like mobility, presence, high definition audio that isn't possible on the PSTN.*
[38] The industry leading the way in terms of employment growth over the next few years will be VoIP, according to economic research firm IBISWorld, with average annualized jobs growth of around 19.4% through 2012. *See* http://www.ibisworld.com/pressrelease/pressrelease.aspx?prid=116.

boosting broadband deployment. But these telephone benefits are limited when Americans lack universal broadband access.

- **Americans are being held hostage to skyrocketing gas prices.** However, with the help of broadband and VoIP, people can bring their work phones home, telecommute, and open home-based businesses.[39] If everyone who could took full advantage of telecommuting, the reduction in miles driven would save $3.9 billion a year in fuel and the time savings would be equal to 470,000 jobs.[40]

- **Our nation remains vulnerable to catastrophic communication failures.** However, universal access to broadband can help make us more safe and secure. As the Joint Advisory Committee on Communications Capabilities of Emergency Medical and Public Health Care Facilities (JAC) reported:

> In the event of a major 9/11 type attack, anthrax attack or flu pandemic, offices could be inaccessible but employees will still need to communicate. Workers with access to broadband could still work using IP VPNs and broadband-enabled nomadic VoIP phones, and could immediately work from home or other broadband□enabled locations. By disconnecting voice from the underlying infrastructure, nomadic interconnected VoIP allows displaced workers to utilize their existing work phone number from any broadband-enabled location.[41]

Likewise, Chairman Kevin Martin told the Katrina panel, "I would also like to see a greater use of IP technologies that are capable of changing and rerouting telecommunications traffic. In the event of a systems failure within the traditional network, such IP technologies would enable service to be restored more quickly and would provide the flexibility to initiate service at new locations chosen by consumers." Others make the point more strongly, For example, Mark Lloyd in Science Progress, writes "Without ubiquitous broadband...our first responders could be crippled by the lack of effective communications in the event of a terrorist attack or natural disaster."[42]

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[39] According to a recent report from IDC, home-based firms are "twice as likely" to adopt VoIP as their fixed phone system than normal householders. Further, almost 40% of corporate home offices and almost 25% of home-based businesses are interested in, if not already using, VoIP. Householders who do not work from their homes have a VoIP awareness rate of about 10%. *See* http://www.freelanceuk.com/news/1827.shtml)

[40] 2005/2006 National Technology Readiness Survey *available at* http://www.rhsmith.umd.edu/ntrs/NTRS-2005-06.pdf.

[41] Joint Advisory Committee on Communications Capabilities ff Emergency Medical and Public Health Care Facilities, Report to Congress, (Feb. 4, 2008) *available at* http://www.fcc.gov/pshs/advisory/jac/

[42] Lloyd, Mark. Ubiquity Requires Redundancy: The Case for Federal Investment in Broadband. Science Progress. (Jan. 2008).

VIII. CONCLUSION

For the foregoing reasons, the Commission should create a market-based, technology and competitively neutral Broadband Fund, and expeditiously transition narrowband High Cost support to broadband over five years with a hard stop for narrowband support.

Respectfully submitted,

THE VON COALITION

June 2, 2008